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ABSTRACT

This paper discusses the impact of voter tax limitation initiatives in California on public postsecondary recurrent (or continuing) education efforts. The author provides background information on the structure and scope of California's postsecondary system and then describes the development of recurrent education programs within this system. The California "taxpayers revolt" is discussed, including the impact of Proposition 13 on recurrent education in public institutions and recurrent education's position in the political priority structure. The author, a legislative analyst, points to reasons for the general and specific vulnerability of postsecondary and recurrent education. He concludes by urging educators and policymakers concerned with recurrent education both to build stronger alliances with supportive forces outside education and to develop a stronger internal governance system. (Author)

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EFFECTS OF TAX LIMITATION MEASURES ON RECURRENT EDUCATION--ACTIVITIES IN CALIFORNIA

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October 1980

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Abstract

This paper discusses the impact of voter tax limitation initiatives in California on the public post-secondary recurrent education efforts. The author provides background information on the structure and scope of California's post-secondary system and then describes the development of recurrent education programs within this system. Having so set the stage, he discusses the "California taxpayers revolt," the impact of Proposition 13 on recurrent education in public institutions and recurrent education's position in the political priority structure. The author, a legislative analyst, points to reasons for the general and specific vulnerability of post-secondary and recurrent education, respectively. He concludes by urging educators and policymakers concerned with recurrent education to both build stronger alliances with supportive forces outside education and to develop a stronger internal governance system.

Introduction

This paper will discuss the impact of voter tax limitation initiatives in California on the public postsecondary recurrent education efforts. Proposition 13, Proposition 4, and the influence of Proposition 9 are forcing policymakers to prioritize public expenditures both among and within program areas--where will recurrent education fall on the priority list?

This paper will first present background on the structure and scope of California's public postsecondary education system, followed by:

- Recurrent education within this system;
- A discussion of the recent so-called "taxpayers revolt;"
- The impact of Proposition 13 on recurrent education; and
- The difficult position occupied by education, particularly recurrent education, in the alignment of public expenditure priorities in the 1980's.

California's Public Postsecondary Education System

Structure

California's system of public postsecondary education is the largest in the nation. It currently consists of 135 campuses serving over 1.4 million students. This system is separated into three distinct public segments--the University of California, the California State University and Colleges, and the California Community Colleges. (In addition to the public system, there are approximately 300 independent colleges and universities serving 185,000 students.)

To provide guidelines for the orderly development of three public segments, the Master Plan for Higher Education in California was developed and its recommendations were largely incorporated into the Donahoe Higher

Education Act of 1960. The purpose of the act was to define the function and responsibilities of each segment and to establish a systematic approach to the needs of higher education. A coordinating agency, the California Postsecondary Education Commission (CPEC) was established to assist in meeting the objectives of the act.

The University of California (UC). The UC system consists of eight general campuses, five medical schools, and numerous special research facilities located throughout the state. To govern the University of California, the state constitution grants full power of organization and governance to a 26-member Board of Regents, serving 12-year terms. The regents have substantial freedom from legislative or executive control.

In addition to the function of instruction, which is basic to all three segments of public higher education, the University of California is designated as the primary state-supported agency for research. Instruction is provided to both undergraduate and graduate students in the liberal arts and sciences and in the professions, including teaching. The University has exclusive jurisdiction over graduate instruction in the professions of law, medicine, dentistry, and veterinary medicine. It has sole authority for awarding the doctorate degree with the exception that in selected fields, joint doctoral degrees may be awarded with the California State University and Colleges.

The UC regents have established their admission standards in conformity with guidelines in the original Master Plan which called on the University to limit admissions to the top one-eighth of California's high school graduates.

The California State University and Colleges (CSUC). This system comprised of 19 campuses, is governed by a statutory 23-member board of

trustees generally serving eight-year terms. Although the Board of Trustees does not have the constitutional autonomy of the UC regents, the Donahoe Act of 1960 did provide for centralization of policy and administrative functions which are carried out by the Chancellor's Office.

The primary function of CSUC is to provide instruction to both undergraduate and graduate students in the liberal arts and sciences, in applied fields and in various professions including teaching. The granting of bachelor's and master's degrees is authorized but doctorate degrees may not be granted except under the joint doctoral program with UC. Faculty research is authorized only to the extent that it is consistent with the instruction function. Admissions are limited to the top one-third of California's high school graduates.

The California Community Colleges (CCC). A 15-member Board of Governors was created by statute in 1967 to provide direction to the 70 community college districts (with 106 campuses) that comprise the system. Unlike UC and CSUC, community colleges are administered by local boards and derive some funds from local property taxes.

Instruction in public community colleges is limited to lower division levels (freshman and sophomore) of undergraduate study in the liberal arts and sciences and in occupational or technical subjects. The granting of the associate in arts or the associate in science degree is authorized.

Admission to the community colleges is open to any high school graduate or person over 18.

Scope

The statement that this is the largest public higher education system in the U.S. is supported by both enrollment and fiscal data.

TABLE 1

California Public Postsecondary Education Enrollment (Headcount)
Fall 1978

Segment	Full-time Number	Full-time Percent	Part-time Number	Part-time Percent	Total Number	Total Percent
University of California:						
Undergraduate	84,305	93%	6,656	7%	90,961	100%
Graduate	35,067	95	1,853	5	36,920	100
					127,881 (8%)	
California State University and Colleges:						
Undergraduate	167,752	70	70,508	30	238,260	100
Graduate	15,065	22	52,850	78	67,915	100
					306,175 (21%)	
California Community Colleges:	285,133	27	762,034	73	1,047,167	100
					(71%)	
Totals	587,322	40%	893,901	60%	1,481,223 (100%)	100%

Source: CPEC, Postsecondary Education in California Information Digest, 1979.

UC enrolled 8 percent of the state total, CSUC enrolled 21 percent and the CCC enrolled the remaining 71 percent. Part-time enrollees represented 73 percent of the CCC figures but only 7 percent of UC undergraduates.

A summary of estimated expenditures for 1979-80 is shown in Table 2. Total support for all higher education in 1979-80 will amount to nearly $5.6 billion. Of the total support budget, the state General fund will provide $2.8 billion, or 50 percent.

TABLE 2

Summary of Estimated 1979-80 Budget for
California Higher Education
(in millions)

	State General Fund	Federal	Other	Total
University of California	$ 964.3	$1,151.5	$ 854.9	$2,970.5
California State University and Colleges	821.5	53.2	292.7	1,167.4
Community Colleges	1,000.2	92.5	270.5	1,363.2
Miscellaneous	55.0	15.4	-0-	70.4
Totals	$2,841.0	$1,312.6	$1,417.9	$5,571.5

Source: Governor's Budget 1980-81.

One hundred thirty-five institutions, 1.4 million students, an annual state expenditure of $2.8 billion, and with this--there is a large recurrent education activity.

Recurrent Education in California

University of California

Traditionally, off-campus instructional activities of the University of California have been associated with UC Extension and UC Agricultural Extension. In contrast to CSUC Extension activities, UC Extension operates relatively independently of UC on-campus programs. A very small proportion of UC faculty teach in its programs. The majority of instructors are either working professionals or are employed in one of the other educational segments. UC considers its extension program to be chiefly a non-credit program. Matriculated students constitute a minor role in UC

Extension. UC Extension course credit may be applied to a degree program if the student makes special arrangements with his or her academic department, but such arrangements are relatively rare. UC Extension is estimated to enroll 375,000 people in 1979-80.

UC enjoyed state General Fund support for administrative and development costs for extension programs until 1968-69 when state support was withdrawn. (At its apex the share of state support was approximately 16 percent.)

Unlike some public institutions which historically have served large numbers of matriculated part-time students and offered extensive programs in the evening, the University of California over the years has focused primarily on full-time students and has made no scheduling or tuition arrangements designed expressly to serve part-time students. While the University has always had students who did not carry a full-time academic load, it had no programs for part-time students, as such.

One exception to this policy occurred in 1971 when the University developed plans for the UC Extended University. Its first pilot programs were implemented in 1972. The Extended University was planned as a three-year pilot program designed to help the University learn how to serve a new group of qualified, part-time, older working citizens by increasing opportunities for them to participate in UC degree programs--off-campus as well as on-campus. The Extended University was established as an entity separate from UC Extension and was placed under the administration of a university vice president headquartered at the systemwide administration building in Berkeley. Although extension personnel were involved on two of the campuses which participated in the EU program, the Extended

University did not function as part of the self-supporting UC Extension program. During 1973-74 the Extended University received $806,949 from the State General Fund. In 1974-75 the amount was increased to $1,312,434.

Students in Extended University pilot programs attended classes in the evening or weekends. About half of the programs were offered off-campus, emphasizing the point that some of the access barriers which had been lowered were not associated with geographic location. Because of the amount of funding granted the Extended University, it was in a position to make more extensive use of the media. Lecture demonstration courses were recorded on videotape for some programs; modules of instruction were on video cassettes in the nursing program; and microwave TV communication was utilized to beam courses to various cities.

In 1972-73 the Extended University offered seven graduate and undergraduate programs. Nineteen were offered in 1973-74, 23 in 1974-75. Over 1,600 Extended University students were enrolled in the 23 degree programs offered that year by seven of the UC campuses. More than half were enrolled at 33 off-campus locations.

All programs were regular University of California degree programs developed and offered by regular campus departments following regular academic procedures and regulations.

State funding of the Extended University was discontinued by the Governor in 1975-76 on the grounds that the University should maintain the program, beyond its initial phase, from the regular University budget. The regents' 1976-77 budget included a request for $2.6 million for the Extended University as an augmentation (not within the regular budget) but the request was not included in the Governor's budget. The Legislature

passed a bill which appropriated $2.6 million but the bill was vetoed by the Governor. The Extended University is currently being phased out.

There is considerable evidence to support the view that the University's effort to extend its traditional approaches into nontraditional and off-campus areas was a partial response to criticism that the University was an "elitist" institution, unconcerned with new instructional techniques, with part-time study, and with older and underrepresented clienteles. Another reason for the establishment of the Extended University undoubtedly was the genuine concern among many members of the University community that the criticism had some validity.

What also seems clear, however, is that the University's commitment to the concept of the Extended University was not strong. The fact that the decision was made to phase out the program once state funding was terminated rather than attempt to continue it under an alternate funding arrangement, such as higher student fees or the use of internal University resources, indicates that the program occupied a relatively low priority within the University family. The fact that University Extension was so well established, and the fact that much of what the Extended University purported to do could also be done through Extension, probably contributed to the decision to abandon the program. At this time, there is little desire at the official levels of the University to continue formal degree programs beyond the confines of the traditional, campus-based setting dealing with top quality undergraduate and graduate students.

Despite this, California has developed a large recurrent education activity in its other two public segments--the CSUC and the CCC California State University and Colleges (CSUC).

The California State University and Colleges offer four distinct approaches to off-campus and extended degree opportunities: (a) State University Extension; (b) miscellaneous courses provided at off-campus locations; (c) external degree programs; and (d) the Consortium of the CSUC. Administratively, extended degree programs and extension offerings are operated under the auspices of State University Extension, miscellaneous courses through the campuses, and the Consortium through its own administration in the systemwide Chancellor's Office.

State University Extension. Begun in 1932, it is quite similar to most University extension operations. A variety of courses is offered featuring fee support, short duration, a focused audience, and little degree credit. As of 1978-79, CSUC Extension enrolled 73,526 people or the equivalent of 5,693 full-time students.

"Miscellaneous courses." At off-campus locations, both degree related and nondegree related, are a rubric within which fall the thousands of efforts to reach adult learners who are isolated from a campus by either distance or time. These courses are classified separately because they are not related to a formal organized degree program. Unlike extension, they do not require special fees. In 1979-80 it is estimated that 4,000 people will enroll almost equally in the degree and nondegree related "miscellaneous courses."

The early 1970's. The CSUC system embarked on major efforts to establish formal degree programs for the on- and off-campus recurrent education student through external degree programs and the Consortium of the CSUC.

In 1971, the CSUC Chancellor called for a major expansion of off-campus and extended educational opportunities. Noting the perceived "rigid

system," which primarily served students in residence, he called for an alternative that included "television, correspondence courses, self-study combined with short-course on campus programs, taped lectures with study guides to comprise programmed learning, as well as classroom instruction on or off campus," all to be on a self-supporting basis.

The proposed expansion in the nontraditional sector was endorsed by the Board of Trustees with the establishment of the Commission on External Degree Programs which was charged with the establishment, on a pilot project basis, of policies and procedures for implementing off-campus degree programs. The activities of the commission resulted in the concept of the "1,000-mile campus" and the CSUC system now has established policies which govern the development of external degrees.

At present, external degree programs are developed by the individual campuses and, after review by the Chancellor's Office, are forwarded to the commission for approval. These programs are fully self-supporting, although a small amount of funding is provided for fee waivers. By the fall of 1975, enrollment in these programs was 3,733.

The Consortium of the California State University and Colleges was established in 1973 as the result of a recommendation by the Commission on External Degree Programs. Its purposes were to:

- serve the needs of highly mobile adult students, who through circumstances are required to transfer from one college to another, thereby losing degree credit;
- develop statewide or regional external degree programs to serve sparsely populated geographical areas, or students with special interests who are dispersed over a wide area;
- conduct programs in geographic areas where the local CSUC campus is unable to meet the need with its own resources;

- encourage reciprocity or residence credit and core degree requirements between campuses and to begin building toward the development of a common "credit bank" or curricular records for students; and
- develop strategies for assessing the prior learning experiences of adult students whose varied backgrounds of work and schooling make admissions decisions more complex.

As of 1977-78, total FTE enrollment in the Consortium was approximately 500, a figure that has been reduced to an estimated 300 for the 1979-80 fiscal year. Although originally supported by the Legislature ($46,252 in 1972-73 with increasing amounts to $200,000 in 1976-77) it is currently self-supporting. The Western Association of Schools and Colleges granted full regional accreditation to the Consortium in 1976.

A summary of full-time equivalent (FTE) enrollment in all four CSUC recurrent education activities is shown in Table 3.

TABLE 3

CSUC Recurrent Education Activity FTE
1977-78 to 1980-81

	1977-78	1978-79	1979-80	1980-81
Extension	6,112	5,693	5,288	4,942
Miscellaneous Courses	1,002	819	816	816
External Degree	1,122	793	830	835
Consortium	423	318	225	375
Total	8,659	7,623	7,159	6,968

Source: CSUC, Office of Institutional Research.

California Community Colleges

Of all students enrolled in recurrent education in California's three public segments, the majority are in the inventory of off-campus locations and programs (fall 1978) (62.4 percent of the off-campus locations and 81.3

percent of the course registrations) are in the CCCs. Although this is a decrease from 1976 figures of 67.7 and 84.8 percent, respectively, the community colleges are clearly the principal providers of recurrent education services.

The figures are also dramatically higher than the total reported in the fall of 1972. At that time, there were 1,363 off-campus locations with an enrollment of 190,000 students, over 98 percent of them part time. By contrast (although they are not directly comparable), course registrations four years later were 472,153 and six years later, 363,899. The 1,363 locations reported in 1972 had grown to 2,985 in 1976 and then dropped to 2,507 in 1978. Thus, it is apparent that something caused a dramatic growth in enrollment begween 1972 and 1976, and that something else caused a decline between 1976 and 1978. (More will be said about the decline later in this paper.)

Recurrent education occurs primarily in the off-campus setting. In order to obtain information on programs community colleges offer off campus, a questionnaire was sent by CPEC to 20 colleges of varying size, geographic location, and commitment to off-campus operations. Of these, 14 responded.

Table 4 shows the number of courses, type of courses, and type of faculty. The faculty are categorized as "Full-Time, On-Load," "Full-Time, Off-Load," or "Part-Time." The first of these refers to regular, full-time faculty who are teaching an off-campus course as part of their normal assignment. "Full-Time, Off-Load" refers to regular, full-time faculty who are teaching an off-campus course in addition to their normal assignment. "Part-Time" means individuals who are not regular faculty members with full-time teaching contracts but persons hired on a course-by-course basis.

TABLE 4

Courses and Type of Faculty Teaching at Selected Off-Campus Locations in the California Community Colleges Fall 1979

College	Courses			Faculty		
	Total	Credit	Non-Credit	On-Load	Off-Load	Part-Time
A	254	228	26	71	11	172
B	110	71	39	6	11	93
C	767	194	573	149	10	608
D	231	210	21	71	5	155
E	119	100	19	15	2	102
F	453	277	176	9	5	439
G	226	33	193	26	11	189
H	72	34	38	1	2	69
I	445	435	10	96	9	340
J	480	39	441	22	9	449
K	226	226	0	39	8	179
L	113	109	4	0	2	111
M	56	34	22	1	4	51
N	108	100	8	13	0	95
Totals	3,660	2,090	1,570	519	89	3,052
Percent	100%	57.1%	42.9%	14.2%	2.4%	83.4%

Source: CPEC, Degrees of Diversity, March 1980.

As shown in Table 4, there is no consistency among the 14 colleges as to the distribution of credit and noncredit classes. "College K" offers all of its courses for credit, while 92 percent of "College J's" courses are in the noncredit category. Similarly, colleges "C" and "G" have 75 and 85 percent of their courses in the noncredit area, respectively. Of the 14 colleges, ten have a majority of credit offerings while four have most classes in the noncredit category. The fact that one of these institutions also maintains both the high school adult program and the regular community college program helps to explain the preponderence of noncredit offerings, but this is only a partial explanation.

Part-time faculty are currently teaching 84.4 percent of the off-campus courses in the 14 colleges while the total number of part-time faculty is about two-thirds of all community college faculty on a headcount basis. Given the urgings of accrediting agencies for greater use of regular faculty in off-campus programming, the implications of such overwhelming reliance on part-time instructors are significant.

Table 5 shows course lengths and fee charges in the 3,660 courses noted in Table 4 above.

TABLE 5

Course Length and Fees Charged in Off-Campus Classes in 14 California Community Colleges, Fall 1979

	Number	Percent
Course Length:		
2 Weeks or Less	93	2.5%
2 - 10 Weeks	490	13.4
Over 10 Weeks	2,795	76.4
Unknown	282	7.7
Totals	3,660	100.0%
Course Type and Fee Status:		
Credit		
Fee Charged	169	4.6%
Fee Not Charged	1,850	50.6
Noncredit		
Fee Charged	311	8.5
Fee Not Charged	1,220	33.3
Unknown	110	3.0
Totals	3,660	100.0%

Community colleges use off-campus facilities to conduct classes very similar in format to those offered on campus, either during the day or in the

evening. This format is the standard lecture/discussion system. The fact that 76.4 percent of all classes are quarter or semester length, indicates the similarity with on-campus programming. The fact that about 16 percent of the classes are not of a traditional length, indicates flexibility in meeting special needs.

Of the 583 courses reported to be under ten weeks, 312 of them are offered for credit and 271 are noncredit.

The Fiscal Priority of Recurrent Education During An Era of Resource Restraint

With the foregoing discussion of California's postsecondary education structure in mind, this paper now addresses:

- The so-called California taxpayers' revolt;
- The impact of Proposition 13 of 1978 on recurrent education efforts in public institutions;
- Recurrent education's position in the political priority structure; and
- Potential changes in the current situation.

The Taxpayers' Revolt

The decades of the 1960's and 1970's witnessed an extraordinary growth in the level and scope of government services. For example, during the past ten years, the percentage increase in federal spending far outstripped the rate of inflation (170 percent vs. 104 percent). The expansion was even more dramatic in California, where state spending increased nearly two-and-one-half times the percentage increase in prices.

The extraordinary growth didn't just happen by accident. The citizens of California and the nation demanded that it happen. The rise of social

conscientiousness in the late 1960's and early 1970's created public pressure for better schools, health care, air quality, and environment. Government action was viewed as the panacea for the creation of "the great society." Consequently, our elected representatives were just following orders.

It's important to understand the form that these demands took. The public did not demand that government grow and the private economy contract, nor did they demand that government take an increasingly larger share of income. The public demands were focused on individual programs and services, rather than on the bottom line of total cost.

As we move into the 1980's, we are told that a taxpayer's revolt is in progress in California and perhaps nationally. There are many manifestations of this revolt which include:

- Proposition 9 and 13, as well as other measures aimed at reducing taxes;
- Indexing of income tax and other measures aimed at reducing the growth in taxes;
- Proposition 4 and similar measures aimed at limiting the growth in spending; and
- Efforts to balance the federal budget.

The concern, then, isn't that elected representatives are failing to respond to the public's demands, but rather that they are doing too good a job of it, and the public does not like the fiscal consequences. While the public has become disenchanted with government spending in general, there is evidence that large segments of the public continue to believe that government can and should take on society's problems--the "there ought to be law" attitude seems to be surviving despite the revolt.

Evidence of this is pretty widespread. In California, for instance:

- The number of bills introduced in the Legislature last year was only slightly lower than the number introduced in the previous legislature;
- The testimony taken by legislative committees is indistinguishable from that taken prior to the enactment of recent initiatives--representatives of the public invariably plead for bigger budget appropriations and there has been no outpouring of public sentiment aimed at reducing individual items in the budget.
- The success of incumbents seeking reelection to the Legislature has been very high. In November 1978--five months after the voters expressed great dissatisfaction with government by approving Proposition 13--they reelected nearly 90 percent of those incumbents on the ballot.

What is new about the "taxpayers' revolt" is the feeling in many quarters that the public's appetite for government services is too healthy--that they demand more from government than they are willing to pay for. It's the expression--"a million here, a million there, and pretty soon we are talking about real money." Legislative bodies are caught up in the absurdity of trying to maintain spending for each of the individual items in the budget while concurrently being pressured to reduce the level of total spending.

It is this frustration--this recognition that representatives say "no" to individual programs--that has led many to advocate the kinds of broad limitations on government revenues and expenditures that are associated with the "taxpayers' revolt". The argument goes that if the amount of revenue that government receives or the level of expenditures that it can make are arbitrarily limited, willpower will of necessity be enhanced.

The point is simply this: it is not clear that the public has "sorted out" its priorities regarding government as yet, and until it does--until there is a balance between what is expected of government with what the public is prepared to spend on government--the public sector is going to be in a state of flux.

Impact on Recurrent Education

This brings us to the concern for recurrent education in the context of fiscal restraint. I am not referring to a moderate recession in financial support which all programs can survive with modest belt tightening; I am talking about a time of deep academic recession caused by declining enrollments of up to 20 percent occurring in an era of limited resources. There will be the required prioritizing of programs--some programs will expand, most will be fortunate to just retrench, while yet others will be reduced or eliminated. Based on my analysis of the impact of Proposition 13 of 1978, it is the latter category that recurrent education seems likely to fall into.

Proposition 13

A brief orientation would be useful to those who are unfamilar with the California voter initiative process. The California initiative process was established by special election on October 10, 1911. California became the tenth state in the nation to enact the initiative and referendum.

The initiative provides the people a mechanism to propose statutory revisions and constitutional amendments, and to adopt or reject those proposed by the Legislature. The initiative allows the voters to by-pass the Legislature and have an issue of concern put directly on the ballot for voter approval or rejection.

In order to qualify a direct initiative for the ballot, a title and summary must be obtained from the Attorney General, petitions circulated and signatures gathered, and the petitions must be filed with the county clerk of each county in which signatures were collected. Petitions supporting statute revisions are required to be signed by registered voters

equal in number to 5 percent of the total number of votes cast for all candidates for governor in the last gubernatorial election; those for constitutional amendments require 8 percent.

An initiative which qualifies for the ballot goes before the voters at the next statewide election held at least 131 days after it qualifies. The governor may call a special statewide election for an initiative measure.

Any initiative measure approved by a majority of the votes cast at any election takes effect the day after the election unless the measure provides otherwise. An approved initiative is not subject to a governor's veto, nor may it be amended or repealed by the Legislature without a vote of approval by the electors.

Proposition 13 on the 1978 June ballot was a constitutional revision initiative designed to limit the amount of revenue that could be derived from the taxation of property. The proceeds of such were used primarily to support local government and schools (including the community colleges).

Technically, Proposition 13 added Article XIIIA to the California Constitution which limited property tax revenue to 1 percent of the market value of property plus an amount necessary to repay existing voter-approved debt. Article XIIIA also rolled back the assessed value of property to 1975 levels, limited increases in assessed values to 2 percent per year and restricted the imposition of nonproperty taxes by state and local governments. The electorate approved the measure by a vote of 2 to 1.

Proposition 13 did not specify how the remaining property tax revenue would be distributed among taxing jurisdictions. Chapter 292 (SB 154) and Chapter 332 (SB 2212), Statutes of 1978, provided for this distribution of property tax revenue and provided $4.4 billion of state funds as fiscal

relief to local governments in order to partially offset the loss in property tax revenue.

Proposition 13 reduced city, county, school district, and special district property tax revenue by about $6.9 billion, or about 55 percent, from the estimated property taxes which would have been levied in 1978-79 if Proposition 13 had not been enacted. The property tax reduction was about $5.9 billion, or 51 percent, when compared to 1977-78 collections. Table 6 provides information on property tax revenues in 1977-78 and 1978-79. The extent of the reduction in total revenue to each city, county, and special district varied according to: (a) the proportion of total revenue which the city, county, or special district collected from property taxes; (b) the entity's legal authority to offset the property tax revenue losses with alternative revenue sources and the extent to which such authority was used, and (c) the amount of replacement revenue received from the state government.

TABLE 6

Comparison of the Property Tax Revenue Loss
Resulting from Proposition 13
(in millions)

		1978-79	
	1977-78	Without Proposition 13	Actual
Property Tax Levies	$10,277	$11,258	$ 5,047
State Subvention for Homeowners' and Business Inventory Exemptions	1,172	1,217	536
Total Property Tax Revenues	$11,449	$12,475	$ 5,583
Reduction from 1977-78	---	N/A	$-5,866
Reduction from 1978-79 (Without Proposition 13)	N/A	---	$-6,892

Source: Office of Legislative Analyst, An Analysis of the Effects of Proposition 13 on Local Governments, March 1980.

The revenue impact was significant.

Proposition 13, of course, is not an expenditure limitation, but merely a limitation on one source of revenue, the property tax. Proposition 13 doesn't say anything about whether total government expenditures can grow 20, 30, or 40 percent; it just says that you can't fund government by more than "x" from the property tax. And because of this its primary impact in postsecondary education was on the community colleges. Prior to June 1978, community colleges in California were 60 to 70 percent funded from the local property tax, with the remainder from the state (20 to 30 percent) and federal (10 percent) governments. So it was clear that the community colleges had to adjust their planning to take account of fiscal constraints.

More interesting, however, is the fact that, as shown in Table 7, Proposition 13 has also had a direct impact on support for the University of California and the California State University and Colleges, which had no property tax support. In fact, the most bewildered people in the capitol after the passage of Proposition 13 were from those segments of post-secondary education.

What developed, obviously, was a political environment involving the fiscal condition in general, and not just the property tax. The general climate of opinion was against government spending in all forms. Post-secondary education was not given any special high priority protection (for reasons I will discuss) nor was recurrent education.

Proposition 13's Impact on Recurrent Education

Details of Proposition 13's impact on recurrent education are sketchy, however, some synthesis is possible. I will briefly discuss its impact on UC, CSUC, and CCC, recurrent education.

TABLE 7

State General Fund Support to Postsecondary Education
Pre- and Post-Proposition 13
(in millions)

Segment	1977-78	1978-79 Pre-13 Estimated	1978-79 Post-13 Actual
CCC[a]	$1,218	$1,303	$1,124
UC	737	819	767
CSUC	666	734	683
Totals	$2,621	$2,856	$2,574
Reduction from 1977-78	---	N/A	$ -47
Reduction from 1978-79 (Without Proposition 13)	N/A	---	$ -282

[a]State and local support.

Source: Office of Legislative Analyst.

Of course there was no impact at the University of California which had abandoned its External University program prior to 1978. In the CSUC system, as shown previously in Table 3, the development of recurrent education came to a halt. This is because the legislative fiscal committees began to question the very purpose of recurrent education activities. There was a general concern that much of the growth of recurrent education had occurred without adequate legislative involvement or oversight, especially with regard to enrollment levels, instructional quality, and equity of student charges. The postsecondary education commission was directed by the Legislature to "...define and study the various kinds of extended education....Such study shall address questions of access, support, student needs, and quality." This study was conducted. However, as of this date,

a final policy policy on the CSUC recurrent education activity remains unresolved by the Legislature.

Community colleges reported that, within the operating budget, outlays for credit instruction were reported to be down by one percent while noncredit instructional expenditures were reduced by 27 percent.

Proposition 13 affected the colleges ability to carry out the community college mission and functions. While few programs were cut, six percent of 60,000 courses and 13 percent of 125,000 course sections were eliminated statewide. The average size of remaining course sections increased by four percent, from 23 to 24 students. Courses qualifying for Vocational Education Act support (i.e., with occupational objectives) were least affected. In fact, these courses increased slightly in number while all other courses were decreased in number by 16 percent. As shown in Table 8, noncredit courses were most affected. Twenty percent of these courses were eliminated and another ten percent were shifted to fee-supported community service status. Community service activities, in turn, were reduced overall by slightly more than one-third. All but four districts reduced or cancelled 1978 summer session offerings due to the uncertainty of funding and timing of Proposition 13-related decisions. Statewide, the number of summer courses declined by about 50 percent.

Community college staff were reduced by about 10,000 employees (14 percent) from 72,000 to 62,000 between spring 1978 and fall 1979. Two-thirds of the 1,500 decline in full-time employees was attributed to normal attrition; but in most cases, the empty positions were not filled. Of the total decrease, most (7,000) took place among part-time faculty. In nearly all cases, part-time faculty were not rehired either due to classes which were

TABLE 8

Comparison of California Community College Enrollments
For the Fall 1977 and Fall 1978 Terms
by Program of Studies[a]

Category	Total			Full-Time			Part-Time		
	Fall 1977	Fall 1978	Change	Fall 1977	Fall 1978	Change	Fall 1977	Fall 1978	Change
Head County Enrollment									
Credit Only	803,868	760,132	-5.4	233,362	206,918	-11.3	570,506	553,214	3.0
Credit and Noncredit	19,778	10,114	-48.7	7,481	4,309	-42.4	12,297	5,835	-52.5
Noncredit Only	45,227	19,668	-56.5	0	0	0	45,227	19,668	-56.5
Unknown	6,166	3,013	-51.1	306	43	-85.9	5,860	2,970	-49.3
Total	875,039	792,957	-9.3	241,149	211,270	-12.4	633,890	581,687	8.2
Percent of Total									
Credit Only	91.9	95.9	4.0	96.8	98.0	1.2	90.0	95.1	5.1
Credit and Noncredit	2.2	1.2	-1.0	3.1	2.0	-1.1	2.0	1.0	-1.0
Noncredit Only	5.2	2.5	-2.7	0	0	0	7.1	3.4	3.7
Unknown	0.7	0.4	0.3	0.1	0	-0.1	0.9	0.5	-0.4
Total									

[a]Based on data from 81 of 106 colleges.

Source: CPEC, Degrees of Diversity, March 1980.

not offered because of budget reductions or were offered then cancelled due to inadequate enrollment. In many cases, noncredit classes experienced low enrollment due to the charging of fees. There was a 23 percent decrease in part-time staff but just a nine percent decrease in ADA. Consequently, many full-time staff took over part-time duties on an overload basis.

Prior to the passage of Proposition 13, the Department of Finance had projected increases of three percent in enrollment for community colleges during 1978-79. The actual enrollment change between fall 1977 and fall 1978 was a decrease of 162,000 students or 12.3 percent.

The fall 1978 enrollment loss was greater among part-time than among full-time students, greater among males than among females, greater among older than among younger students, and far greater among those enrolled only in noncredit courses. The enrollment of those taking only noncredit courses decreased by more than 50 percent and the enrollment of full-time students attending only in the evening declined by one-fourth. There is little doubt that the bulk of the enrollment loss can be attributed to budget and programmatic cutbacks directly related to the significant reduction in fiscal resources caused by Proposition 13.

Priorities

While it is difficult to make clear comparisons and conclusions, it appears that Proposition 13 had a major impact on postsecondary education in general and recurrent education in particular. There are a variety of reasons for the "softening" of the public priority for postsecondary education:

1. The unprecedented increase in enrollment and expenditures for higher education. This not only makes it a highly visible segment of our public budget, but also causes a natural fiscal conflict between institutions of higher education seeking to maximize funding and elected officials seeking to minimize taxes.

2. In addition, competition for money from new social programs such as energy conservation and medical services places pressure on decisionmakers to closely examine traditional programs and stress the reallocation of resources between and within agencies.

3. The apparent vacuum of leadership in higher education. Right or wrong, academic leadership has the appearance of weakness. This vacuum is partially the result of the perception that leadership in higher education responds to internal special interest constituencies, particularly faculty, rather than to public needs. Also, the high turnover of academic leaders and their reluctance to be assertive contributes to this perception.

4. The dissident students and faculty bringing higher education's dirty laundry to government's door.

5. The push for access by women, ethnics, and disabled into the mainstream of society focuses attention on higher education as the gatekeeper.

6. Reports of unemployment and underemployment of college graduates, particularly graduates of high-cost graduate programs, undermining some of the major rationales for support of higher education--economic development and social mobility.

7. Finally, there is concern about competitive practices for student enrollments such as the lowering of entrance and retention standards and financial aid bidding. Elected officials see these actions as weakening the social fiber through lower academic standards in order to assure institutional survival.

With these general concerns in mind, attention can be focused on recurrent education's position within the postsecondary education community. It is my thesis that for a variety of reasons, recurrent education in California, and perhaps elsewhere, is in a politically vulnerable position given the politics within postsecondary education. While there are those like Daniel Perlman who see financial crises as a stimulus for the expansion of recurrent education, I would argue that as it effects public institutions, just the opposite is true. The expansion in the 1970's was mostly due to the social pressure for increased access to higher education. Thus, there was expansion in recurrent education despite leveling enrollments and financial difficulty--perhaps we can call this a state of "benign neglect."

In a time of financial crisis, however, priority for recurrent education appears to be low due to a variety of factors which include:

- Its low visibility due to limited curriculum, limited staff, limited support services, and limited "alumni," hinders attempts to develop a broad-based constituency;
- Its organizational position usually outside the academic institutional mainstream exemplified by not being represented (a) in academic master plans, (b) in academic senates, or (c) in the line organization of the academic vice presidents' office, weakens its position in academic "in-fighting;"
- Its heavy reliance on part time or low-ranking regular faculty raises questions of quality; and
- Its service to a clientele which is often employed, white, and middle class encourages the budget agencies to promote a self-support financing plan for recurrent education.

Conclusion

These factors lead to the conclusion that within academic institutions which have been in existence for decades and within the society they serve, recurrent education is still the new kid on the block. It is constantly under the burden of proof--and it is your job to establish such proof. Perhaps this can be accomplished through a stronger alliance with the forces of vocationalism in business, industry, and organized labor. Perhaps through an expansion of the type of student served--a "more broadly casted net" if you will. Perhaps the answer lies in a better system of governance.

A few words on governance. As I see it, you need a governance system:

- Which reduces uncertainty and confusion by being easily understood by all parties;
- Which provides an effective accountability mechanism without reducing institutional autonomy;
- Which places governors and legislative bodies in their proper role of oversight; not detailed intrusion into administrative matters; and
- Finally, which provides that the tough reallocation questions be addressed systematically across the whole of the higher education community.

If there are negative decisions (closing of departments, layoffs, etc.) they must be determined rationally. Decisions should not be based on who has more muscle in the state house, but on who delivers necessary quality teaching, research, and public service in a reasonably cost effective mode.

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